

## Union Calendar No.

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 2610

[Report No. 116-]

To establish a Senior Scams Prevention Advisory Council to collect and disseminate model educational materials useful in identifying and preventing scams that affect seniors.

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### IN THE HOUSE OF REPRESENTATIVES

MAY 9, 2019

Ms. BLUNT ROCHESTER (for herself and Mr. WALBERG) introduced the following bill; which was referred to the Committee on Energy and Commerce

SEPTEMBER --, 2020

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on May 9, 2019]

# **A BILL**

To establish a Senior Scams Prevention Advisory Council to collect and disseminate model educational materials useful in identifying and preventing scams that affect seniors.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.—This Act may be cited as the*  
5 *“Fraud and Scam Reduction Act”.*

6 (b) *TABLE OF CONTENTS.—The table of contents for*  
7 *this Act is as follows:*

*Sec. 1. Short title; table of contents.*

*Sec. 2. Commission defined.*

*TITLE I—PREVENTING CONSUMER SCAMS DIRECTED AT SENIORS*

*Sec. 101. Short title.*

*Sec. 102. Senior Scams Prevention Advisory Group.*

*TITLE II—SENIOR FRAUD ADVISORY OFFICE*

*Sec. 201. Short title.*

*Sec. 202. Senior Fraud Advisory Office.*

*TITLE III—PREVENTING THE TARGETING OF SENIORS DURING  
EMERGENCIES*

*Sec. 301. Short title.*

*Sec. 302. FTC report on scams targeting seniors during emergencies.*

*Sec. 303. Increasing awareness of scams targeting seniors.*

*TITLE IV—PREVENTING SCAMS TARGETING INDIAN TRIBES*

*Sec. 401. Short title.*

*Sec. 402. FTC report on unfair or deceptive acts or practices targeting Indian  
Tribes.*

*TITLE V—ENHANCING CONSUMER PROTECTION ENFORCEMENT*

*Sec. 501. Short title.*

*Sec. 502. Unfair and deceptive practices cooperation study.*

8 **SEC. 2. COMMISSION DEFINED.**

9 *In this Act, the term “Commission” means the Federal*  
10 *Trade Commission.*

1 **TITLE I—PREVENTING CON-**  
2 **SUMER SCAMS DIRECTED AT**  
3 **SENIORS**

4 **SEC. 101. SHORT TITLE.**

5 *This title may be cited as the “Stop Senior Scams*  
6 *Act”.*

7 **SEC. 102. SENIOR SCAMS PREVENTION ADVISORY GROUP.**

8 *(a) ESTABLISHMENT OF SENIOR SCAMS PREVENTION*  
9 *ADVISORY GROUP.—There is established a Senior Scams*  
10 *Prevention Advisory Group (referred to in this section as*  
11 *the “Advisory Group”).*

12 *(b) MEMBERS.—The Advisory Group shall be com-*  
13 *posed of stakeholders such as the following individuals or*  
14 *the designees of such individuals:*

15 *(1) The Chairman of the Federal Trade Commis-*  
16 *sion.*

17 *(2) The Secretary of the Treasury.*

18 *(3) The Attorney General.*

19 *(4) The Director of the Bureau of Consumer Fi-*  
20 *nancial Protection.*

21 *(5) Representatives from each of the following*  
22 *sectors, including trade associations, to be selected by*  
23 *Federal Trade Commission:*

24 *(A) Retail.*

25 *(B) Gift cards.*

1                   (C) *Telecommunications.*

2                   (D) *Wire-transfer services.*

3                   (E) *Senior peer advocates.*

4                   (F) *Consumer advocacy organizations with*  
5                   *efforts focused on preventing seniors from becom-*  
6                   *ing the victims of scams.*

7                   (G) *Financial services, including institu-*  
8                   *tions that engage in digital currency.*

9                   (H) *Prepaid cards.*

10                  (6) *A member of the Board of Governors of the*  
11                  *Federal Reserve System.*

12                  (7) *A prudential regulator, as defined in section*  
13                  *1002 of the Consumer Financial Protection Act of*  
14                  *2010 (12 U.S.C. 5481).*

15                  (8) *The Director of the Financial Crimes En-*  
16                  *forcement Network.*

17                  (9) *Any other Federal, State, or local agency, in-*  
18                  *dustry representative, consumer advocate, or entity,*  
19                  *as determined by the Federal Trade Commission.*

20                  (c) *NO COMPENSATION FOR MEMBERS.—A member of*  
21                  *the Advisory Group shall serve without compensation in ad-*  
22                  *dition to any compensation received for the service of the*  
23                  *member as an officer or employee of the United States, if*  
24                  *applicable.*

25                  (d) *DUTIES.—*

- 1           (1) *IN GENERAL.—The Advisory Group shall—*
- 2                   (A) *collect information on the existence, use,*
- 3                   *and success of educational materials and pro-*
- 4                   *grams for retailers, financial services, and wire-*
- 5                   *transfer companies, which—*
- 6                           (i) *may be used as a guide to educate*
- 7                           *employees on how to identify and prevent*
- 8                           *scams that affect seniors; and*
- 9                           (ii) *include—*
- 10                                   (I) *useful information for retail-*
- 11                                   *ers, financial services, and wire trans-*
- 12                                   *fer companies for the purpose described*
- 13                                   *in clause (i);*
- 14                                   (II) *training for employees on*
- 15                                   *ways to identify and prevent senior*
- 16                                   *scams;*
- 17                                   (III) *best practices for keeping*
- 18                                   *employees up to date on current scams;*
- 19                                   (IV) *the most effective signage and*
- 20                                   *placement in retail locations to warn*
- 21                                   *seniors about scammers’ use of gift*
- 22                                   *cards, prepaid cards, and wire transfer*
- 23                                   *services;*

1                   (V) *suggestions on effective col-*  
2                   *laborative community education cam-*  
3                   *paigns;*

4                   (VI) *available technology to assist*  
5                   *in identifying possible scams at the*  
6                   *point of sale; and*

7                   (VII) *other information that*  
8                   *would be helpful to retailers, wire*  
9                   *transfer companies, financial institu-*  
10                   *tions, and their employees as they work*  
11                   *to prevent fraud affecting seniors; and*

12                   (B) *based on the findings in subparagraph*  
13                   (A)—

14                   (i) *identify inadequacies, omissions, or*  
15                   *deficiencies in those educational materials*  
16                   *and programs for the categories listed in*  
17                   *subparagraph (A) and their execution in*  
18                   *reaching employees to protect older adults;*  
19                   *and*

20                   (ii) *create model materials, best prac-*  
21                   *tices guidance, or recommendations to fill*  
22                   *those inadequacies, omissions, or defi-*  
23                   *ciencies that may be used by industry and*  
24                   *others to help protect older adults from*  
25                   *scams.*

1           (2) *ENCOURAGED USE.*—*The Federal Trade*  
2           *Commission shall—*

3                   (A) *make the materials or guidance created*  
4                   *by the Federal Trade Commission described in*  
5                   *paragraph (1) publicly available; and*

6                   (B) *encourage the use and distribution of*  
7                   *the materials created under this subsection to*  
8                   *prevent scams affecting seniors by governmental*  
9                   *agencies and the private sector.*

10          (e) *REPORTS.*—*Section 101(c)(2) of the Elder Abuse*  
11          *Prevention and Prosecution Act (34 U.S.C. 21711(c)(2)) is*  
12          *amended—*

13                   (1) *in subparagraph (C), by striking “and” at*  
14                   *the end;*

15                   (2) *in subparagraph (D), by striking the period*  
16                   *at the end and inserting “; and”; and*

17                   (3) *by adding at the end the following:*

18                           “(E) *for the Federal Trade Commission, in*  
19                           *relevant years, information on—*

20                                   “(i) *the newly created materials, guid-*  
21                                   *ance, or recommendations of the Senior*  
22                                   *Scams Prevention Advisory Group estab-*  
23                                   *lished under section 2 of the Stop Senior*  
24                                   *Scams Act, and any relevant views or con-*  
25                                   *siderations made by members of the Advi-*

1           sory Group that were not included in the  
2           Advisory Group’s model materials or con-  
3           sidered an official recommendation by the  
4           Advisory Group;

5                   “(ii) the Senior Scams Prevention Ad-  
6           visory Group’s findings about senior scams  
7           and industry educational materials and  
8           programs; and

9                   “(iii) any recommendations on ways  
10          stakeholders can continue to work together  
11          to reduce scams affecting seniors.”.

12          (f) *TERMINATION.*—This Act, and the amendments  
13          made by this Act, ceases to be effective on the date that is  
14          5 years after the date of enactment of this Act.

15                   **TITLE II—SENIOR FRAUD**  
16                   **ADVISORY OFFICE**

17          **SEC. 201. SHORT TITLE.**

18           This title may be cited as the “Seniors Fraud Preven-  
19          tion Act of 2020”.

20          **SEC. 202. SENIOR FRAUD ADVISORY OFFICE.**

21           (a) *ESTABLISHMENT OF ADVISORY OFFICE.*—The Fed-  
22          eral Trade Commission shall establish an office within the  
23          Bureau of Consumer Protection for the purpose of advising  
24          the Commission on the prevention of fraud targeting seniors  
25          and to assist the Commission with the following:

1           (1) *OVERSIGHT.*—*The advisory office shall mon-*  
2           *itor the market for mail, television, internet, tele-*  
3           *marketing, and recorded message telephone call (here-*  
4           *inafter referred to as “robocall”) fraud targeting sen-*  
5           *iors and shall coordinate with other relevant agencies*  
6           *regarding the requirements of this section.*

7           (2) *CONSUMER EDUCATION.*—*The Commission*  
8           *through the advisory office shall, in consultation with*  
9           *the Attorney General, the Secretary of Health and*  
10          *Human Services, the Postmaster General, the Chief*  
11          *Postal Inspector for the United States Postal Inspec-*  
12          *tion Service, and other relevant agencies—*

13                 (A) *disseminate to seniors and families and*  
14                 *caregivers of seniors general information on*  
15                 *mail, television, internet, telemarketing, and*  
16                 *robocall fraud targeting seniors, including de-*  
17                 *scriptions of the most common fraud schemes;*

18                 (B) *disseminate to seniors and families and*  
19                 *caregivers of seniors information on reporting*  
20                 *complaints of fraud targeting seniors either to*  
21                 *the national toll-free telephone number estab-*  
22                 *lished by the Commission for reporting such*  
23                 *complaints, or to the Consumer Sentinel Net-*  
24                 *work, operated by the Commission, where such*  
25                 *complaints will become immediately available to*

1           *appropriate law enforcement agencies, including*  
2           *the Federal Bureau of Investigation and the at-*  
3           *torneys general of the States;*

4           *(C) in response to a specific request about*  
5           *a particular entity or individual, provide pub-*  
6           *lically available information of enforcement ac-*  
7           *tion taken by the Commission for mail, tele-*  
8           *vision, internet, telemarketing, and robocall*  
9           *fraud against such entity; and*

10           *(D) maintain a website to serve as a re-*  
11           *source for information for seniors and families*  
12           *and caregivers of seniors regarding mail, tele-*  
13           *vision, internet, telemarketing, robocall, and*  
14           *other identified fraud targeting seniors.*

15           *(3) COMPLAINTS.—The Commission through the*  
16           *advisory office shall, in consultation with the Attor-*  
17           *ney General, establish procedures to—*

18           *(A) log and acknowledge the receipt of com-*  
19           *plaints by individuals who believe they have been*  
20           *a victim of mail, television, internet, tele-*  
21           *marketing, and robocall fraud in the Consumer*  
22           *Sentinel Network, and shall make those com-*  
23           *plaints immediately available to Federal, State,*  
24           *and local law enforcement authorities; and*

1           (B) provide to individuals described in sub-  
2 paragraph (A), and to any other persons, spe-  
3 cific and general information on mail, television,  
4 internet, telemarketing, and robocall fraud, in-  
5 cluding descriptions of the most common schemes  
6 using such methods of communication.

7           (b) *COMMENCEMENT.*—The Commission shall com-  
8 mence carrying out the requirements of this section not later  
9 than one year after the date of enactment of this Act.

10 **TITLE III—PREVENTING THE**  
11 **TARGETING OF SENIORS DUR-**  
12 **ING EMERGENCIES**

13 **SEC. 301. SHORT TITLE.**

14           This title may be cited as the “Protecting Seniors from  
15 Emergency Scams Act”.

16 **SEC. 302. FTC REPORT ON SCAMS TARGETING SENIORS**  
17 **DURING EMERGENCIES.**

18           Not later than 30 days after the date of enactment of  
19 this Act, the Federal Trade Commission (referred to in this  
20 Act as the “Commission”) shall submit a report to Congress  
21 including—

22           (1) a description of the number and types of  
23 scams identified by the Commission as being targeted  
24 at senior citizens; and

1           (2) *policy recommendations to prevent such*  
2           *scams, especially as such scams relate to future na-*  
3           *tional emergencies.*

4 **SEC. 303. INCREASING AWARENESS OF SCAMS TARGETING**  
5           **SENIORS.**

6           (a) *IN GENERAL.—As soon as practicable after the*  
7           *date of enactment of this Act, the Commission shall update*  
8           *its web portal to include the latest information, searchable*  
9           *by region and type of scam, on scams targeting seniors, in-*  
10          *cluding contacts for relevant law enforcement and adult*  
11          *protective service agencies.*

12          (b) *COORDINATION WITH MEDIA OUTLETS AND LAW*  
13          *ENFORCEMENT.—The Commission shall work with media*  
14          *outlets and law enforcement to distribute the information*  
15          *included in the web portal of the Commission pursuant to*  
16          *subsection (a) to senior citizens and their families and care-*  
17          *givers.*

18          **TITLE IV—PREVENTING SCAMS**  
19          **TARGETING INDIAN TRIBES**

20 **SEC. 401. SHORT TITLE.**

21          *This title may be cited as the “Protecting Indian*  
22          *Tribes from Scams Act”.*

1 **SEC. 402. FTC REPORT ON UNFAIR OR DECEPTIVE ACTS OR**  
2 **PRACTICES TARGETING INDIAN TRIBES.**

3 (a) *FTC REPORT.*—Not later than 1 year after the  
4 date of the enactment of this Act, and after consultation  
5 with Indian Tribes, the Commission shall make publicly  
6 available on the website of the Commission and submit to  
7 the Committee on Energy and Commerce of the House of  
8 Representatives and the Committee on Commerce, Science,  
9 and Transportation of the Senate a report on unfair or de-  
10 ceptive acts or practices targeted at Indian Tribes or mem-  
11 bers of Indian Tribes, including—

12 (1) a description of the types of unfair or decep-  
13 tive acts or practices identified by the Commission as  
14 being targeted at Indian Tribes or members of Indian  
15 Tribes;

16 (2) a description of the consumer education ac-  
17 tivities of the Commission with respect to such acts or  
18 practices;

19 (3) a description of the efforts of the Commission  
20 to collaborate with Indian Tribes to prevent such acts  
21 or practices or to pursue persons using such acts or  
22 practices;

23 (4) a summary of the enforcement actions taken  
24 by the Commission related to such acts or practices;  
25 and

1           (5) *any recommendations for legislation to pre-*  
2           *vent such acts or practices.*

3           (b) *INCREASING AWARENESS OF UNFAIR OR DECEP-*  
4           *TIVE ACTS OR PRACTICES TARGETING INDIAN TRIBES.—*  
5           *Not later than 6 months after the date of the submission*  
6           *of the report required by subsection (a), the Commission*  
7           *shall update the website of the Commission to include infor-*  
8           *mation for consumers and businesses on identifying and*  
9           *avoiding unfair or deceptive acts or practices targeted at*  
10          *Indian Tribes or members of Indian Tribes.*

11          **TITLE        V—ENHANCING        CON-**  
12          **SUMER        PROTECTION        EN-**  
13          **FORCEMENT**

14          **SEC. 501. SHORT TITLE.**

15          *This title may be cited as the “FTC Collaboration Act*  
16          *of 2020”.*

17          **SEC. 502. UNFAIR AND DECEPTIVE PRACTICES COOPERA-**  
18          **TION STUDY.**

19          (a) *IN GENERAL.—*

20                (1) *STUDY REQUIRED.—Not later than 1 year*  
21                *after the date of the enactment of this Act, the Federal*  
22                *Trade Commission shall conduct a study on facili-*  
23                *tating and refining existing efforts with State Attor-*  
24                *neys General to prevent, publicize, and penalize*

1       *frauds and scams being perpetrated on individuals in*  
2       *the United States.*

3               (2) *REQUIREMENTS OF STUDY.—In conducting*  
4       *the study, the Commission shall examine the fol-*  
5       *lowing:*

6                       (A) *The roles and responsibilities of the*  
7       *Commission and State Attorneys General that*  
8       *best advance collaboration and consumer protec-*  
9       *tion.*

10                      (B) *The policies, procedures, and mecha-*  
11       *nisms that facilitate cooperation and commu-*  
12       *nications across the Commission.*

13                      (C) *How resources should be dedicated to*  
14       *best advance such collaboration and consumer*  
15       *protection.*

16                      (D) *The accountability mechanisms that*  
17       *should be implemented to promote collaboration*  
18       *and consumer protection.*

19               (3) *CONSULTATION AND PUBLIC COMMENT.—In*  
20       *producing the study required in paragraph (1), the*  
21       *Commission shall—*

22                      (A) *consult with—*

23                               (i) *the National Association of State*  
24       *Attorneys General;*

1                   (ii) public interest organizations dedi-  
2                   cated to consumer protection;

3                   (iii) relevant private sector entities;  
4                   and

5                   (iv) any other Federal or State agency  
6                   that the Federal Trade Commission con-  
7                   siders necessary; and

8                   (B) provide opportunity for public comment  
9                   and advice relevant to the production of the  
10                  study.

11               (b) *REPORT TO CONGRESS.*—Not later than 6 months  
12 after the completion of the study required pursuant to sub-  
13 section (a), the Commission shall submit to the Committee  
14 on Energy and Commerce of the House of Representatives  
15 and the Committee on Commerce, Science, and Transpor-  
16 tation of the Senate, and make publicly available on the  
17 website of the Commission, a report that contains the fol-  
18 lowing:

19               (1) The results of the study.

20               (2) Recommended best practices to enhance col-  
21 laboration efforts between the Commission and State  
22 Attorneys General with respect to preventing, publi-  
23 cizing, and penalizing fraud and scams.

24               (3) Quantifiable metrics by which enhanced col-  
25 laboration can be measured.

- 1           (4) *Legislative recommendations, if any, to en-*  
2           *hance collaboration efforts between the Commission*  
3           *and State Attorneys General to prevent, publicize,*  
4           *and penalize fraud and scams.*

Amend the title so as to read: “A bill to establish an office within the Federal Trade Commission and an outside advisory group to prevent fraud targeting seniors and to direct the Commission to study and submit a report to Congress on scams targeting seniors and Indian tribes, and for other purposes.”.